## Montana Board of Oil and Gas Conservation Environmental Assessment

Operator: XTO Energy, Inc.
Well Name/Number: Harold 34X-12
Location: NW NE Section 12 T22N R58E
County: Richland, MT; Field (or Wildcat) Wildcat
Air Quality
(possible concerns)
Long drilling time: No. 25-35 days drilling time.
Unusually deep drilling (high horsepower rig): A triple derrick rig, estimated 900-1000 HP to drill a
single lateral Bakken Formation Horizontal, 18,713'MD/10,179'TVD.
Possible H2S gas production: Slight
In/near Class I air quality area: No, not in a Class I air quality area.
Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under rule 75-
<u>2-211.</u>
Mitigation:
X Air quality permit (AQB review)
X Gas plants/pipelines available for sour gas
Special equipment/procedures requirements
Other:
Comments: Existing pipeline for H2S gas and sweet gas in the area.
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Water Quality
(possible concerns)
Salt/oil based mud: Yes to intermediate casing string hole, oil based invert drilling fluids. Saltwater for
the horizontal openhole lateral. Surface casing hole to be drilled with freshwater and freshwater mud.
High water table: No high water table anticipated.
Surface drainage leads to live water: No, closest live water is the Lower Yellowstone Main Canal, about
3/8 of a mile to the southeast from this location.
Water well contamination: None, surface hole will be drilled with freshwater and freshwater drilling
fluids to 1,760', steel surface casing will be run and cemented to surface from 1760' to protect any ground
and surface waters. Closest water wells are about 1/8 of a mile to the south, 3/8 of a mile to the north
northwest and about ½ of a mile to the north from this location. Depth of these domestic wells and public
water supply well range from 53' to 1140' All other wells are 5/8 of a mile or further from this location.
Porous/permeable soils: <u>Possibly, sandy clay soils.</u> Class I stream drainage: No, Class I stream drainage.
Mitigation:
X Lined reserve pit
X Adequate surface casing
Berms/dykes, re-routed drainage
Closed mud system
Closed flud system Off-site disposal of liquids (in approved facility)
Other: Comments: 1760' of surface casing is enough surface casing to cover Base Fox Hills Formation
Steel surface casing will be run to 1760' and cemented to surface. Oil based invert drilling fluids will be

Soils/Vegetation/Land Use

recycled. Drill cuttings will be disposed of in the lined pit. After the well has been completed,

completions fluids will go to a commercial Class II disposal.

(possible concerns)
Steam crossings: None, anticipated.
High erosion potential: No high erosion potential, small cut, 3.8' and small fill, up to 3.2', required.
Loss of soil productivity: None, location to be restored after drilling well, if well is nonproductive. If
productive unused portion of drillsite will be reclaimed.
Unusually large wellsite: No, large well site 430'X330'.
Damage to improvements: Slight, surface use is cultivated land.
Conflict with existing land use/values: <u>Slight.</u>
Mitigation
Avoid improvements (topographic tolerance)
Exception location requested
$\underline{X}$ Stockpile topsoil
Stream Crossing Permit (other agency review)
X Reclaim unused part of wellsite if productive
Special construction methods to enhance reclamation
X Other: Requires DEQ General Permit for Storm Water Discharge Associated with Construction
Activity, under ARM 17.30.1102(28).
Comments: Access will be over existing county road, #122. A short new access road, about 0.2 of a mile
will be built into this location. Oil based drilling fluids will be recycled. Completion fluids will be hauled
to a Class II commercial disposal. Drill cuttings will be buried in the lined reserve pit. No concerns.
Health Hazards/Noise
Health Hazarus/Ivoise
(possible concerns)
Proximity to public facilities/residences: Closest residences about 3/8 of a mile to the southeast, 3/8 of a
mile to the north northwest and 1/2 of a mile to the northeast from this location.
Possibility of H2S: _Slight
Size of rig/length of drilling time: <u>Triple derrick drilling rig, 25 to 35 days drilling time.</u>
Mitigation:
_X Proper BOP equipment
Topographic sound barriers
H2S contingency and/or evacuation plan
Special equipment/procedures requirements
Other:
Comments: Adequate surface casing cemented to surface with working BOP stack should
mitigate any problems.
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Wildlife/recreation
(possible concerns)  Provincia to consider wildlife cross (DEWP identified). None identified
Proximity to sensitive wildlife areas (DFWP identified): None identified.
Proximity to recreation sites: None identified.  Creation of new access to wildlife habitat: No
Conflict with game range/refuge management: No, no game range/refuge in the area.
Threatened or endangered Species: Threatened or endangered species identified by USFWS in Richland
County are the Pallid Sturgeon, Whooping Crane, Interior Lease Tern and Piping Plover.
Mitigation:
Avoidance (topographic tolerance/exception)
Avoidance (topographic tolerance/exception) Other agency review (DFWP, federal agencies, DSL)
Screening/fencing of pits, drillsite
Other:
Comments: Private cultivated (dry land farmed) surface lands away from live water. No
concerns.

## Historical/Cultural/Paleontological

(possible concerns)
Proximity to known sites None identified.
Mitigation
avoidance (topographic tolerance, location exception)
other agency review (SHPO, <b>DSL</b> , federal agencies)
Other:
Comments: Private cultivated (dry land farmed) surface lands away from live water. No
concerns.
Social/Economic
(possible concerns)
Substantial effect on tax base
Create demand for new governmental services
Population increase or relocation
Comments: Horizontal Bakken Formation development oil well to an existing spacing unit. No
concerns.
Remarks or Special Concerns for this site
Single lateral Bakken Formation development horizontal well 18,713'MD/10,179'TVD.
Single lateral backen i offication development nonzontal wen 10,713 (vib/10,177 i vb.
Summary: Evaluation of Impacts and Cumulative effects
No long term impacts expected. Some short term impacts will occur.
I conclude that the approval of the subject Notice of Intent to Drill (does/ <u>does not</u> ) constitute a major
action of state government significantly affecting the quality of the human environment, and (does/ <u>does</u>
<u>not</u> ) require the preparation of an environmental impact statement.
Promound by (DOCC): /c/ Stayon Socialis
Prepared by (BOGC): /s/ Steven Sasaki (title:) Chief Field Inspector
Date: May 24, 2010
Date. <u>May 24, 2010</u>
Other Persons Contacted:
Montana Bureau of Mines and Geology, GWIC website
(Name and Agency)
Richland County water wells
(subject discussed)
May 22, 2010
(date)
US Fish and Wildlife, Region 6 website
(Name and Agency)
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA
Ending the control of

May 22, 2010 (date)
If location was inspected before permit approval:
Inspection date: _ <u>5/24/10</u>
Inspector: Ron Prevost
Others present during inspection: None

COUNTIES, Richland County